

Jeffrey S. Schiff, M.D., M.B.A.
jschiffinmn@gmail.com

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The Honorable Governor Tim Walz
The Honorable Lieutenant Governor Peggy Flanagan
Acting Commissioner of the Department of Human Services Pamela Wheelock

The Honorable Representative Tina Liebling, Chair, Health and Human Services Finance

The Honorable Representative Alice Mann, Vice Chair, Health and Human Services Finance

The Honorable Representative Joe Schomacker, Republican Lead, Health and Human Services Finance

The Honorable Representative Rena Moran, Chair, Health and Human Services Policy

The Honorable Representative Kelly Morrison, Vice Chair, Health and Human Services Policy

The Honorable Representative Deb Kiel, Republican Lead, Health and Human Services Policy

The Honorable Senator Michelle R. Benson, Chair, Health and Human Services Finance and Policy

The Honorable Senator Scott Jensen, Vice Chair, Health and Human Services Finance and Policy

The Honorable Senator John Marty, Ranking Minority Member, Health and Human Services Finance and Policy

The Honorable Senator Jim. Abeler, Chair, Health and Human Services Reform Finance and Policy

The Honorable Senator Paul J Utke, Vice Chair, Health and Human Services Reform, Finance and Policy

The Honorable Senator Jeff Hayden, Ranking Minority Member, Health and Human Services Reform Finance and Policy

Transmitted electronically

Dear Governor Walz, Lieutenant Governor Flanagan, Acting Commissioner Wheelock, and Legislative Health Care Leadership:

I have had the honor and responsibility of being the Medicaid Medical Director for the Department of Human Services (DHS) for the past 13 years until the Health Care Administration (HCA) reorganization led to

my termination in early June. I now feel that it is time to speak about some issues in the department and recommend substantive changes to the program. I hope that efforts to remedy issues at DHS transcend partisanship.

As a physician and the former medical director, it has been my duty to assure that those served by the program receive the most effective evidence-based care. I believe the imperative to assure this level of care is the same at the state policy level as it is for any clinical provider for an individual patient. Indeed, I maintained a clinician practice (as a Pediatric Emergency Medicine physician) during my tenure at DHS so as to have an opportunity to see the direct impact of our policies on the children of our state.

I worked hard, sometimes successfully and many times not, to achieve this care for our fellow Minnesotans. When unsuccessful, it was most often because of challenges with the current leaders of the Health Care Administration. The net result was that short-sighted health care decisions with adverse impacts trumped effective evidence-based care. Short-term economic benefits were prioritized over more effective options even though these options usually were more cost effective in the long run.

Here are some examples:

- There is no physician oversight or authority in the prior authorization of drugs. This review can prevent significant complications. Medicaid recipients are refused drugs without a physician case review at any step in the process. As with any situation in clinical practice, we expect our care, especially when it becomes complex, to be guided by medical judgment.
- After giving birth women in Minnesota are denied access to the most effective methods of reproductive life planning. This lack of access can lead to early-unplanned pregnancies and future preterm births in that family. Preterm births are associated with higher levels of complications including long-term disabilities.
- The oversight of the groundbreaking Opioid Prescribing Improvement Program and indeed the entire coordinated state opioid response now lacks a clinical leader. This loss of medical leadership comes as our Minnesota Department of Health just announced the positive results of our multiyear efforts including a 22% decrease in opioid deaths in one year from 2017 to 2018, a significantly greater reduction than that of nation. Priorities for this coordinated response (for example, expansion of primary care based treatment) are now thwarted.

Billions of taxpayer dollars flow through the Medicaid program administered by the DHS Health Care Administration, yet the policy decisions that are made there; decisions that directly affect the lives of one in five of our citizens; are made by just a few individuals who are either not clinicians or do not have the ethos to consistently place recipient needs first. When I raised my concerns about these examples and other clinical issues to the Health Care Administration leadership, they were hostile and dismissive about the need for medical input to use of the best clinical evidence. Dedicated physicians and other clinical providers from the community are persistently stymied in their ability to meaningfully give input into policy decisions.

This situation must be remedied. The Medicaid program, the largest purchaser of clinical services in the state, must have strong and effective oversight by physician leader(s) with direct decision making authority. Each of us would expect nothing less from our health insurer.

Furthermore, a mechanism for ongoing oversight of this crucial part of state government must be created. The events of this summer show that legislative inquires and session hearings are insufficient and must be enhanced by better ongoing oversight for a program with this level of complexity. The knowledge gap that exists between HCA leadership, the Governor's office, and the legislative branch about the Medicaid program must be rectified. I recommend that an independent standing board be created. The board should be comprised of recipients, families, legislators, physicians, and other clinicians and report directly to the legislature. In this way regular reporting on the functioning of Medicaid program can occur.

Finally, I want to emphasize to you the quality of the Minnesota health care providers and of the DHS line staff. Both of these groups are the finest in the nation. Their dedication to the patients and families of Minnesota is the remarkable asset of our health care system. We must assure that the Department of Human Services provides the structure for their work to thrive and hence for us to achieve the best health for all Minnesotans.

With deep respect,

A handwritten signature in dark ink, appearing to read 'Jeffrey S. Schiff MD MBA', with a stylized flourish at the end.

Jeffrey S. Schiff, MD MBA

Medical Director (May 2006 – June 2019)
Minnesota Health Care Programs
Minnesota Department of Human Services
jschiffinmn@gmail.com